considered for posing to the World Bank for assistance.

Import of Sugar

3274. SHRI KRISHAN LAL SHARMA: Will the Minister of FOOD be pleased to state:

(a) whether it is a fact that the proposal to import sugar into the country was initiated is November, 1993 which was also reiterated by the Ministry of Civil Supplies;

(b) whether it is also a fact that the proposal was ignored by the Minister on the basis of the estimates of sugar production provided by sugar producing organisations which proved to be wrong at a later stage;

(c) if so, the reasons for relying on estimates furnished by private organisations in such a matter;

(d) whether it is a fact that delay in deciding the import of sugar has put the country to a great loss; and

(e) if so, the extent thereof?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI): (a) to (e) As there was an increasing trend in sugar production during the initial months of 1993-94 sugar season as compared to the sugar production in the corresponding months of 1992-93 sugar season, it was considered at that stage that ways and means should be further explored to increase sugar production and control its consumption. However, when sugar production started declining as compared to the corresponding previous period, it was decided to allow duty-free import of sugar under Open General Licence (OGL). Thereafter, various private parties, as also public sector undertakings, namely, State Trading Corporation and Minerals and Metals Trading Corporation undertook the import of sugar under OGL as per their best commercial judgement.

Setting up sugar mills in Arunachal Pradesh

3275. SHRI NYODEK YONGGAM: Will the Minister of FOOD be pleased to state:

(a) whether Government have received any proposal from the Government of Arunachal Pradesh for setting up of sugar mills in the State;

(b) if so, what are the details thereof; and

(c) whether Government proposed to issue any letter of Intent to the applicants?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI): (a) to (c) As on 30.6.1994, the following two applications have been received through the Department of Industrial Development for setting up of new sugar mills in the State of Arunachal Pradesh:—

Sl. No.	Name of the applicant	Location	Sector
1.	Smt. Lino Ronya.	At Kamba, Tehsil Derak Distt. West Siang.	Private
2.	Shri Kamdu Taipondia.	At Linkabali Tehsil Linkabali Distt. West Siang.	Joint

The Ministry of Industry, after due consideration, have issued prima-facie rejection letters to both the above applicants.

Reduction of levy sugar

3276. SHRI KRISHAN LAL SHARMA: Will the Minister of FOOD be pleased to state:

(a) whether it is a fact that during 1985 to 1992, levy sugar rate was reduced from 60 to 40 per cent bringing a net revenue of Rs. 400 crore to the industry and price of levy sugar was raised from Rs. 4/- per kg. to Rs. 9.05, adding Rs. 450 crore to the profits of the industry;

(b) if so, the details thereof;

(c) whether it is also a fact that prices of molasses have increased 5 to 6 times thereby giving additional benefit of Rs. 450 crore to the industry;

(d) if so, the reasons for sugar shortage, non-payment of dues to sugarcane growers and the sugar industry's still being in the red; and

(e) what corrective steps are being contemplated in view of these facts?